

**PROCEEDINGS  
OF  
CITY COUNCIL  
OF THE  
CITY OF LOWELL  
MONDAY, FEBRUARY 6, 2012**

1. **CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL**

The Meeting was called to order at 7:00 p.m. by Mayor Hodges and City Clerk Betty Morlock called the roll.

Present: Councilmembers Jim Hall, Andrew Schrauben, Jim Valentine, Mayor Pro Tem Ellison and Mayor Jim Hodges.

Absent: None.

Also Present: City Manager Mark Howe, City Clerk Betty Morlock, Chief of Police Barry Getzen, DPW Director Dan DesJarden, Water Treatment Plant Superintendent Brian VanVeelen and Light and Power General Manager Greg Pierce.

2. **APPROVAL OF THE AGENDA.**

IT WAS MOVED BY ELLISON and seconded by SCHRAUBEN to approve the agenda as presented.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

3. **APPROVAL OF THE MINUTES**

IT WAS MOVED BY ELLISON and seconded by HALL to approve the regular minutes of the January 17, 2012 meeting as presented.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

4. **APPROVAL OF THE ACCOUNTS PAYABLES.**

IT WAS MOVED BY ELLISON and seconded by HALL that the bills and accounts payables be allowed and the warrants issued.

YEA: Councilmembers Hall, Schrauben, Valentine, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: None. ABSENT: None. MOTION CARRIED.

<u>BILLS AND ACCOUNTS PAYABLE (02/06/12)</u>	
GENERAL FUND	\$54,956.72
MAJOR STREET FUND	1,357.50
LOCAL STREET FUND	525.00

DOWNTOWN DEVELOPMENT FUND	20.00
AIRPORT FUND	52.50
WASTEWATER FUND	36,628.71
WATER FUND	34,133.76
Cable TV Fund	17,000.00
DATA PROCESSING FUND	1,065.37
EQUIPMENT FUND	1,123.03
CURRENT TAX FUND	162,908.90
LEE FUND	75.00
CARR FUND II	75.00

5. **CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA.** No comments were received.

6. **OLD BUSINESS**

A. **PENDING COUNCIL PROJECTS UPDATE.** City Manager Howe stated he will be meeting with Dennis Benoit of Hubbell, Roth and Clark, Inc. regarding the water infiltration issue on February 16, 2012. After that initial meeting a presentation will be made to the Council late February or the first meeting in March.

7. **NEW BUSINESS**

A. **2010-2011 LIGHT AND POWER AUDIT PRESENTATION.** Peter Haefner of Vredevelt Haefner, LLC presented the 2010-2011 Lowell Light and Power audit.

B. **WATER TREATMENT PLANT REPAIRS.** Water Treatment Plant Superintendent Brian VanVeelen has secured bids for the replacement of several water valves within the water treatment plant. This work was anticipated in the 2011-12 Water Fund Budget. Three bids were received with the low bid of \$4,650 from Layne Christensen Company.

IT WAS MOVED BY ELLISON and seconded by VALENTINE to award contract to the low bid from Layne Christensen Company of \$4,650 for improvements to the Water Treatment Plant.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

C. **RATIFICATION OF PREVIOUS COUNCIL ACTION.** The City Charter requires that councilmembers take office at 8 p.m. on the Monday following their election to the council. There was a change in the law in the early 1970's allowing the election dates to be changed to August and November. We believe that during this time councilmembers began assuming office on January 1 following the election, however, we have discovered that there is no statutory requirement allowing this to occur without a change to the charter. In order to rectify this for the current fiscal year, we recommend that you ratify all action taken by the council since November 14, 2011. Copies of minutes from the November and December meetings were included in the agenda.

It was recommended that the City Council ratify all action taken by the Council since November 14, 2011.

IT WAS MOVED BY ELLISON and seconded by SCHRAUBEN to ratify all action taken by the Lowell City Council during the November 14, December 5 and 19, 2011 meetings.

YEA: Councilmembers Hall, Schrauben, Valentine, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: None. ABSENT: None. MOTION CARRIED.

- D. EQUIPMENT FUND – DEFICIT ELIMINATION PLAN.** The 2010-11 Fiscal Year ended with negative unrestricted net assets of \$66,979 in the Equipment Fund. This has triggered a requirement from the Michigan Department of Treasury for the city to issue a deficit elimination plan which must be approved by the council. Generally, our deficit elimination plan will require a commitment from the General Fund over the next five years to eliminate the negative unrestricted net assets and return it to a positive balance. The resolution that had been prepared for your consideration reflecting this commitment to the deficit elimination plan needs to be adopted.

IT WAS MOVED BY HALL and seconded by SCHRAUBEN to adopt the Equipment Fund Deficit Elimination Plan resolution.

YEA: Councilmembers Hall, Schrauben, Valentine, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: None. ABSENT: None. MOTION CARRIED.

**E. ZONING BOARD OF APPEALS.**

IT WAS MOVED BY HALL and seconded by ELLISON to recess the City Council meeting and convene as the Zoning Board of Appeals at 7:26 p.m.

YEA: Councilmembers Hall, Schrauben, Valentine, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: None. ABSENT: None. MOTION CARRIED.

In the absence of a Chair, Mayor Hodges convened the meeting and opened the floor for nomination for Zoning Board of Appeals Chair.

IT WAS MOVED BY ELLISON and seconded by SCHRAUBEN to nominate Hall for Zoning Board of Appeals Chair.

With hearing no other nominations Mayor Hodges closed the nominations. .

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

IT WAS MOVED BY ELLISON and seconded by SCHRAUBEN to adjourn the Zoning Board of Appeals and return to the City Council meeting at 7:47 p.m.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

8. **COUNCIL COMMENTS.**

Councilmember Hall stated the Planning Commission reviewed four (4) site plans at their January 23, 2012 meeting and he attended his first Historic District Commission meeting on January 24, 2012.

Councilmember Schrauben stated the Airport Board will meet on February 7, Parks and Recreation meeting will be later this month and the Lowell Area Recreation Authority met and discussed clearing the snow off the new trails and signage for the trails. Congratulations to Perry and Teresa Beachum for being selected as the Lowell Area Chamber of Commerce 2012 Person(s) of the Year.

Councilmember Valentine had no comments.

Mayor Pro Tem Ellison noted the Arbor Board will meet next month, LCTV Endowment Board should be meeting this month and the Downtown Development Authority is scheduled to meet February 9. She acknowledge what an excellent job Light and Power General Manager Greg Pierce is doing that was shown by the results of the 2010-2011 audit as well as congratulated Perry and Teresa Beachum on being selected as the 2012 Person(s) of the Year.

Mayor Hodges stated the Light and Power Board will meet on February 9 and the Chamber of Commerce Board of Directors will meet on February 14. He too congratulated Perry and Teresa Beachum on their award.

9. **CITY MANAGER'S REPORT.**

1. Last week I attended the Michigan Local Government Managers' Association Winter Institute in East Lansing. Topics for the sessions I attended were:

- Lessons from the Private Sector: High Performance Organizations and Process Improvement
- Community Branding Strategies
- The Rating Game
- Blanchard, The Bear and Whatever Happened to the Sugarland Express?
- Pygmalion, People Paradigms and Peak Performance
- Michigan Public Sector Legislation Impacting Group Health Insurance Plans

There were also interesting general session discussions on benchmarking and coaching your team. I was also able to connect with colleagues to gain additional information about building inspection services and payment in lieu of taxes.

2. You will likely not receive regular reports on this, but I thought you should know that I am spending time assessing my leadership style and skills and matching them against the skills of our leadership team. This is an effort on my part to build a quality team with a sense of purpose and the autonomy and skills to excel in their areas of expertise. These are not activities that lead to status reports and such, however, it seems appropriate that you should know that this is going on "behind the scenes."
3. The budget process begins in earnest. Staff worksheets were due on Friday and City Treasurer Sue Olin has started the process of projecting where we will end the fiscal year. Her initial detailed projections of the General Fund match up quite well with my global projections with each of us

anticipating approximately \$25,000 less in the use of Fund Balance than originally budgeted (\$143,000).

4. Just a reminder that we have a workshop scheduled for February 13 at 6 p.m. Pinky McPherson will be guiding us through a discussion on a vision for the city. We will also use this time to prepare for our March workshop which will be focused on setting service delivery priorities in anticipation of presenting a recommended budget in April.
5. Also a reminder, your next council meeting will be on Tuesday, February 21, at 7 p.m. City offices will be closed on Monday, February 20, 2012, in observance of President's Day.

12. **APPOINTMENTS**. No appointments were made.

IT WAS MOVED BY ELLISON to adjourn at 7:42 p.m.

DATE:

APPROVED:

---

James W. Hodges, Mayor

---

Betty R. Morlock, City Clerk